

# **MINUTES**

## **ROCKFORD POLICE PENSION BOARD**

### **JANUARY 21, 2014**

**MEMBERS PRESENT:** Jeff Nielsen, President  
Matt Williams, Secretary  
Mike McDonald, Assist Secretary  
Scott Laue, Trustee

**ABSENT:** Marcia Mueller, V.P.

**ALSO PRESENT:** Roberta Holzwarth - Holmstrom & Kennedy

**GUESTS:** Mike Piotrowski - Marquette Associates  
Eric Gaylord – Marquette Associates

**STAFF:** Ted Dutkiewicz, Finance  
Linda Wlaznik, Finance

The January 21, 2014 Rockford Police Pension Board convened at City Hall 425 E. State St., Jeff Nielsen called the meeting to order at 8:05 am.

Minutes of the September 23, 2013 board meeting were tabled.

Motion by Laue and seconded by McDonald to approve the December 19, 2013 minutes of the Board meeting. APPROVED.

Motion by Laue and seconded by McDonald to approve the October 25, 2013 closed session minutes as amended. APPROVED.

#### **PUBLIC COMMENT**

NONE

#### **CASH & INVESTMENT REPORT**

Piotrowski apologized for not having the quarterly Marquette report for the meeting today. Piotrowski commented on the market's strong performance for the 4<sup>th</sup> quarter. The bond market continued to struggle the 4<sup>th</sup> quarter; equities continued to perform well.

The fund is at approximately \$174 million. For the quarter the fund was up 4 ½%, for the year up 14.4%. Piotrowski stated he would review the asset allocation study with the board next month.

Motion by Laue and seconded by Williams to approve withdrawal from Vanguard Midcap Fund in the amount of \$200,000 for cash needs. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

Dutkiewicz stated that an additional \$750,000 was withdrawn from Vanguard Institutional Index for year-end rebalancing in 2013.

Motion by Laue and seconded by McDonald to approve purchases and sales. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

## **CITY BILLS**

Motion by Laue and seconded by Williams to approve January City Services of \$9,300.00. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

Motion by Laue and seconded by Williams to approve December postage charges of \$127.42. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

Nielsen suggested Wlaznik draft a letter to the retirees regarding direct deposit and electronic pay stubs.

Motion by Laue and seconded by Williams to approve payment to Holmstrom & Kennedy, P.C. for December attorney fees for general in the amount of \$2,070.00. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

Motion by Laue and seconded by Williams to approve payment to Holmstrom & Kennedy, P.C. for December attorney fees for the Soria disability matter in the amount of \$45.00. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

Motion by Laue and seconded by Williams to approve payment to Holmstrom & Kennedy, P.C. for December attorney fees for the Drnek disability matter in the amount of \$1,552.50, which includes the reimbursement of \$180.00 for the court reporter. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

Motion by Laue and seconded by Williams to approve payment to Holmstrom & Kennedy, P.C. for December attorney fees for the Honzel disability matter in the amount of \$13,025.00, which includes \$2,182.50 for services and \$10,842.50 for disbursements. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

Motion by Laue and seconded by Williams to approve payment to Holmstrom & Kennedy P.C. for December attorney fees for the Ahrens disability matter in the amount of \$1,678.41, which includes \$1,372.50 for services and \$305.91 for disbursements. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

Motion by Laue and seconded by Williams to approve payment to Holmstrom & Kennedy P.C. for December attorney fees for the Statler disability matter in the amount of \$1,143.02, which includes \$1,102.50 for services and \$40.52 for disbursements. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue  
Nays: None

Motion by Laue and seconded by Williams to approve payment for IPPFA 2014 Annual Membership dues in the amount of \$775.00. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue  
Nays: None

## **ATTORNEYS REPORT**

The disability hearing for Sara Ahrens was moved from February 12<sup>th</sup> at 10:00 a.m. to March 11<sup>th</sup> from 9:00 a.m. to 1:00 p.m.

Motion by Williams and seconded by McDonald to approve Drs. Robbins, Levitan, and Harris as evaluators for the Statler disability case. APPROVED.

Attorney Holzwarth stated that she had copies of the red-lined decision regarding the Fysh matter.

Motion by Laue and seconded by McDonald to approve the written findings and order regarding the Fysh matter. APPROVED.

Attorney Holzwarth presented options for additional fiduciary liability insurance coverage. Attorney Holzwarth suggested the option to bind extra coverage with RLI if previous quote is still valid, and re-evaluate when the current contract is up.

Motion by Laue and seconded by Williams to approve binding policy at \$3 million plus waiver of recourse at \$25.00 per trustee, and approve if the quote does not exceed \$7,500. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue  
Nays: None

The board set a potential meeting time with Firefighters' Pension Board for March 20<sup>th</sup> at 4:30 p.m.

## **NEW BUSINESS**

Wlaznik distributed the sympathy letter the widows and widowers currently receive. The board discussed suggested changes to the letter. A draft will be provided at the February meeting.

Motion by Williams and seconded by McDonald to approve the pension application of Jeffrey Houde in the amount of \$4,563.13 monthly, annually \$54,757.56 starting on January 18, 2014. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue  
Nays: None

Motion by Williams and seconded by McDonald to approve surviving spouse pension of Betty White. Betty White, surviving spouse of Bob White, is entitled to a pension in the amount of \$2,762.92 monthly or \$33,155.04 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue  
Nays: None

Motion by Williams and seconded by Laue to approve surviving spouse pension of Gail Hodge. , Gail Hodge, surviving spouse of C. Keith Hodge, is entitled to a pension in the amount of \$2,762.92 monthly or \$33,155.04 annually.

Williams amended the motion for Gail Hodge.

Motion by Williams and seconded by Laue to approve surviving spouse pension for Gail Hodge in the amount of \$3,915.00 monthly or \$46,980.00 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

Motion by Williams and seconded by McDonald to approve the refund of contribution for Steven Papke in the amount of \$3,092.59. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

Motion by Williams and seconded by McDonald to approve the first increase for Doug Block. His monthly pension will increase to \$6,207.84 per month or \$64,494.08 annually. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

## **PAYROLL**

Motion by Williams and seconded by Laue to approve the January estimated payroll amount of \$1,192,242.75. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

Ayes: Nielsen, Williams, McDonald, and Laue

Nays: None

Dutkiewicz stated that attached to the monthly report is a summary of the plan comparing 2012 to 2013.

Attorney Holzwarth suggested a separate motion to approve the 2014 annual increases.

Motion by Williams and seconded by McDonald to approve the 2014 annual increases in the amount of \$27,098.46. The Board retains jurisdiction of this matter for purposes of enforcing the Pension Code. APPROVED.

A motion to adjourn was made and seconded at 9:44 a.m.

A handwritten signature in dark ink, appearing to be 'J. H. Hodge', is located in the bottom right corner of the page.